

***Delaware Health Resources Board  
Bayhealth Milford Memorial Hospital CPR Application Review Committee  
Monday, February 8, 2016 1:00 PM  
Milford Memorial Hospital  
Board Room  
21 W. Clarke Avenue  
Milford, Delaware***

***Review Committee Members Present:***

Mark Thompson, Chair; William Love; and Scott Perkins.

***Staff Present:***

Marlyn Marvel; Joanna Suder; and Latoya Wright.

***Call to Order and Welcome***

The meeting of the Health Resources Board Review Committee for the Bayhealth Milford Memorial Hospital Certificate of Public Review application was called to order at 1:00 p.m. by Mark Thompson, Review Committee Chair.

***Review of Bayhealth Milford Memorial Hospital Application***

The Review Committee reviewed the application along with the Internal Staff Analysis.

Latoya Wright stated that, on September 10, 2015, Bayhealth Milford Memorial Hospital submitted a Notice of Intent to build a replacement hospital in Milford. The application was received on October 16, 2015 with an estimated capital expenditure of \$268 million. The public notice was posted on November 13, 2015 and a final decision will be made at the March 24, 2016 Health Resources Board meeting.

***Review Considerations***

The Review Committee reviewed the following criteria for reviewing the proposal.

Criterion I: The relationship of the proposal to the Health Resources Management Plan.

Criterion II: The need of the population for the proposed project.

Criterion III: The availability of less costly and/or more effective alternatives to the proposal, including alternatives involving the use of resources located outside the state of Delaware.

Criterion IV: The relationship of the proposal to the existing health care delivery system.

Criterion V: The immediate and long term viability of the proposal in terms of the applicant's access to financial, management and other necessary resources.

Criterion VI: The anticipated effect of the proposal on the costs of and charges for health care.

Criterion VII: The anticipated effect of the proposal on the quality of health care.

### ***Follow Up Questions***

During their discussion of the seven criteria, the Review Committee requested that the applicant be asked to provide the following information.

- What are your plans for the existing Milford Memorial Hospital?
- What are Lean Management Principles?
- Why the reduction from 168 beds to 128? Was there an analysis completed to derive at that number?
- On Schedule 4 please clarify the Indigent Care amounts for projected years 2019 and 2020. Also clarify what is determined to be bad debt? Without considering bad debt what would your charity care percentage be?
- Have you completed any projections on length of stay?
- Provide examples of your improved prevention and detection methods?
- What are your opportunities for education and community outreach programs?
- Explain why the “discharges as % of total column” does not equal 100 % on the table in the narrative on page 34.
- Did you include population projections operating at 128 beds?
- On Schedule 10, the estimated maximum project cost is \$302 million, what would be the source of funding for that amount?
- In the narrative on page 27, please clarify why you are only utilizing 130 beds out of the 168. Is the 130 beds static or does it change over time? How many operational beds have you had in each of the last 10years?

### ***Tour of Facility***

The Review Committee went on a tour of the Bayhealth Milford Memorial Hospital. During the tour, the Review Committee requested that the applicant be asked to provide the following information.

- What is the impact on the community when the ambulance or helicopters require the closing of roads for transporting patients to the hospital?
- How often does your electrical system go down and how many times has it gone down within the last year?
- Provide some examples of the risk of potential code violations the current aging infrastructure creates (e.g. code citations by the fire marshall which cannot be rectified due to poor infrastructure).

### ***Next Steps***

Ms. Wright will submit the questions raised by the Review Committee to the applicant. A second Review Committee meeting will be scheduled. The Review Committee's recommendation will be presented to the full Health Resources Board at the March 24, 2016 meeting.

### ***Adjourn***

The meeting adjourned at 3:45 p.m.

*Guests Attending*

Michael Ashton  
Michelle Clark  
Michael Metzger  
Terry Murphy  
John Van Gorp

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